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BEFORE THE
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. MC-F-21035

STAGECOACH GROUP PLC AND COACH USA, INC., ET AL.
— ACQUISITION OF CONTROL — TWIN AMERICA, LLC

PETITION FOR RECONSIDERATION

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February 28, 2011

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PREFACE

Pursuant to 49 C.F.R. § 1115.3, applicants in this control proceeding ("Applicants") respectfully petition the Surface Transportation Board (the "Board") to reconsider its decision of February 8, 2011 ("Decision"), denying Applicants' August 19, 2009, Application to control Twin America, LLC ("Twin America") and ordering dissolution of an already-consummated merger.

This Petition satisfies the Board's criteria for granting reconsideration. *See* 49 C.F.R. § 1115.3(b). First, the Board was led into committing a material error in defining the relevant product market for Twin America's services and drawing unsupported conclusions about barriers to entry into the market. The Board incorrectly limited the relevant market definition to "double-decker, hop-on, hop-off bus tours" in New York City. Decision 11. The Board arrived at this narrow definition without testing the boundaries of how other tours and attractions constrain double-decker bus tour prices, as required under settled antitrust analysis. The Board compounded its error by relying on Twin America's April 2009 increase of bus ticket prices as evidence of pricing power without comparing that price increase to general price increases throughout the transportation tour sector or other passenger transportation services facing the same costs increases in New York City. The Board also erred in concluding that lack of entry into the market since the Twin America merger indicates high entry barriers because the market has become more "mature" since CitySights Twin, LLC ("CitySights") entered the markets in 2005. At the time of CitySights' entry the market was already over a decade old, and the passage of time since the first competitor's entry can actually diminish the entry barriers. Reconsideration should be granted as to these issues.

Second, the Board's Decision reflects a material error to the extent that it fails to afford the Applicants an opportunity to address appropriate remedies that are less drastic than the dissolution ordered by the Board, but which may address the Board's concerns about promoting competition and protecting the public interest. The dissolution remedy, which requires Applicants to "expeditiously unwind the joint venture and completely separate the businesses, management, and assets of Gray Line and CitySights," Decision 18, is entirely disproportionate to the violation the Board identified. Granting reconsideration with respect to the remedy would permit the Board to consider other remedies — such as conduct remedies coupled, potentially, with limited asset divestitures — that would preserve at least some of the pro-competitive efficiencies of the proposed transaction while providing adequate safeguards against potential anti-competitive effects. While Applicants maintain that their Application should be approved, in the event the Board declines to reconsider its decision, a remedy other than breaking up Twin America will better serve the public welfare and facilitate competition. Under governing Supreme Court precedent of *Gilbertville Trucking Co. v. United States*, 371 U.S. 115 (1962), the Board was obligated to consider alternative remedies that would be appropriately tailored to the identified violation and best suited to achieve the remedial objective. The Board was also required to provide the Applicants with an opportunity to address remediation of any unlawful control so that the Board could make an appropriate judgment based on the relevant evidence.

Imposing dissolution without providing the parties with an opportunity to be heard as to the appropriate remedy was a material error.

This Petition for Reconsideration is supported by the record before the Board, as well as the supplemental Verified Statements of Twin America CEO Zev Marmurstein: Coach USA Vice President, CFO and Treasurer Ross Kinnear; and Princeton University Professor of Economics and Public Affairs Robert D. Willig, submitted with Applicants' February 18, 2011, Petition for a Stay. Professor Willig's Verified Statement, and those of Messrs. Marmurstein and Kinnear, explain why dissolution of Twin America is not a viable option two years after that entity was formed and why dissolution would not further the applicable statute's pro-competitive objective.[1]

[1] Professor Willig's Verified Statement provides a response to specific market definition and barriers to entry points that were addressed by the Board in its February 8 Decision and thus could not have been presented to the Board prior to its Decision. The Verified Statements of Messrs. Marmurstein and Kinnear submitted with the Petition for Stay address the consequences of the proposed divestiture, and thus obviously could not have been presented previously.

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FACTUAL AND PROCEDURAL BACKGROUND

Twin America was formed in March 2009 as a permanent joint venture between two carrier entities — International Bus Services ("IBS"), offering tourism and other transportation services under the Gray Line New York trade name (collectively, "Gray Linc"), and CitySights. Decision 4. While Twin America still operates using both the Gray Line and CitySights names, the transaction created a single, more efficient entity that completely integrated Applicants' tour bus operations and associated marketing, sales, management operations, back-office support, information technology support, and intellectual property ownership. Verified Statement of Zev Marmurstein (Feb. 18, 2011) ¶¶ 11, 17 ("Marmurstein V.S."); Verified Statement of Ross Kinnear (Feb. 18, 2011) ¶ 4 ("Kinnear V.S."); Verified Statement of Robert D. Willig (Mar. 10, 2010) ¶¶ 10-11 ("2010 Willig V.S."). In essence, Twin America merged Gray Line and CitySights. 2010 Willig V.S. ¶ 9. Twin America also continued operation of an interstate charter business using motorcoaches that International Bus Services, Inc. ("IBS") had long used as part of its charter business, and which IBS contributed to Twin American when it was formed. *See* Verified Statement of Ross Kinnear (Nov. 17, 2009) ¶¶ 3-5, 12.

Applicants had not been advised, at the time the transaction was consummated, that approval of control from the Board was required. Applicants had retained transportation counsel well before receiving any notice that the New York State Attorney General ("NYSAG") was going to separately investigate the transaction. Once Applicants were advised that such approval was required, they applied to the Board for authorization of the merger under 49 U.S.C. § 14303. Decision 2-3. The NYSAG opposed approval of the transaction. *Id.* at 5. The Board instituted a review proceeding on the application, invited comments from interested parties, and held an oral argument on April 27, 2010. *Id.* at 5; 74 Fed. Reg. 47,985-86 (Sept. 18, 2009).

The Board found jurisdiction over the transaction but denied the application on the basis of perceived competitive effects. Decision 18. The Board defined the relevant market as "double-decker, hop-on, hop-off bus tours in NYC." *Id.* at 11. The Board concluded that this market had "unique barriers to entry" and was "mature." *Id.* at 14-16. The Board then concluded that the efficiencies generated by the merger have not been passed on to the consumer, and that, on the contrary, a 2009 partial increase of CitySights bus ticket prices was evidence of competitive harm. *Id.* at 16-17.

The Board did not hold a hearing on possible remedies or even invite proposals for remedies, but nonetheless proceeded to order "a quick and thorough dissolution of the joint venture." *Id.* at 18. The Board directed applicants to "expeditiously unwind the joint venture and completely separate the businesses, management, and assets of Gray Line and City Sights." *Id.* In the alternative, the Board provided that Twin America could "discontinue or spin off the interstate services" that gave rise to the Board's jurisdiction. *Id.* The Board did not specifically identify any other options, although it suggested that additional options might exist. *Id.* (noting that "[t] here are *at least* 2 options that Applicants may pursue at this juncture") (emphasis added). The Board ordered a report on the steps Applicants will take to comply with the Board's order by March 25, 2011. *Id.*

ARGUMENT

I. THE BOARD MATERIALLY ERRED IN FINDING THAT THE TWIN AMERICA MERGER IS INCONSISTENT WITH THE PUBLIC INTEREST.

As the Board correctly acknowledged, the proper inquiry in this proceeding is "'the effect of the transaction on the adequacy of transportation to the public.'" Decision 9 (quoting 49 U.S.C. § 14303(b)(1)). This statutory framework required the Board to consider both the benefits to the public from the efficiencies gained by the merger and the merger's effects on competition in the relevant industry sector. *Id.*

The Board's conclusion that the Twin America merger had anticompetitive consequences rests on a two-fold material error that warrants reconsideration.[2] *First*, as explained in applicants' Petition for a Stay, the Board incorrectly limited the relevant market to "double-decker, hop-on, hop-off bus tours" in New York City. Decision 11. This narrow definition limits the relevant market to Twin America's own products without testing the boundaries of how other tours and attractions constrain double-decker bus tour prices. The Board also relied on Twin America's 2009 increase of CitySights bus ticket prices as evidence of pricing power, Decision 12, but, in contravention of proper legal and economic analysis, did not examine whether that increase would have occurred in the absence of a joint venture, or disentangle that partial price increase from general price increases occurring throughout the transportation tour sector or other passenger transportation services facing the same cost increases in New York City generally. *See* Petition for a Stay at 7-8; *see also* Verified Statement of Robert D. Willig (Feb. 18, 2011) ¶¶ 11-15 ("Willig V.S.").

[2] The Board also did not give adequate weight to the merger's competition-enhancing efficiencies, of which there was considerable evidence in the record. *See infra* at 9-11.

Second, the Board committed a material error in concluding that lack of entry into the market since the Twin America merger indicates high entry barriers. Decision 14-16. As explained in applicants' Petition for a Stay, lack of entry equally evidences a market characterized by high quality product offerings at competitive prices. Petition for a Stay at 9 (citing Willig V.S. ¶ 18). The Board's assertion that the entry barriers were high because the market was more "mature" than when CitySights entered the market in 2005, Decision 15-16, cannot support the Board's conclusion, because even double-decker bus tours in New York City were over a decade old when CitySights entered. Petition for a Stay at 9 (citing Verified Statement of Ross Kinnear (Nov. 17, 2009) ¶ 5). It is unclear, moreover, what "mature" means in the context of the Board's decision, or why there would be any legitimate presumption that entry barriers are present because a market is mature, whatever it means. Indeed, passage of time can actually *diminish* entry barriers. This error further warrants reconsideration by the Board.

For these reasons, as well as those stated in applicants' Petition for a Stay, the Board did not properly apply and balance the relevant statutory criteria for assessing an application for control under 49 U.S.C. § 14303. The Board accordingly should reconsider its finding that the Twin America merger had anti-competitive effects, and approve the proposed transaction.

II. THE BOARD COMMITTED MATERIAL ERROR IN FAILING TO CONSIDER ALTERNATIVE REMEDIES AND FAILING TO PROVIDE APPLICANTS THE OPPORTUNITY TO ADDRESS THE QUESTION OF THE APPROPRIATE REMEDY.

Even if the Board declines to reconsider its overall finding that the Twin America merger was anti-competitive, the Board acted contrary to settled law, and thus materially erred, in failing to solicit the parties' input on the issue of remedies following its determination not to approve the Application, and in failing to consider remedies less onerous than the ultimate remedy of dissolution. As discussed further below, Applicants would have used such an opportunity to present a variety of other options to the Board — for example, certain conduct remedies such as a bar on exclusive dealing arrangements and commitments to facilitate entry into the market. The Board should reconsider its decision as to the appropriate remedy.

The Supreme Court's decision in *Gilbertville Trucking* governs here. That case arose from a decision of the Interstate Commerce Commission ("ICC") disallowing a motor carrier merger application under a former statute governing control of motor property carriers that is similar to section 14303 at issue here. *Gilbertville Trucking*, 371 U.S. at 116. In addition to disapproving the merger, the ICC ordered that an individual who had attained control of a motor carrier without prior Board approval divest himself of the trucking company's stock. *Id.* at 129. The ICC ordered such divestiture without any proceedings addressed to the remedy question; it simply ordered divestiture based on a finding of unlawful control and denial of an application for control. *Id.* at 129, 130-31. The Supreme Court reversed, instructing that "the choice of remedy is as important a decision as the ... finding of a violation," and the "agency charged with this choice has a heavy responsibility to tailor the remedy to the particular facts of each case so as to best effectuate the remedial objectives." *Id.* at 130. As the Court explained, remediation of improperly acquired control calls for remedies that are "corrective, not punitive," and that cause "as little injury as possible to the interests of private parties or the general public." *Id.* at 129-30. The Court then found that it could not meaningfully review the ICC's remedy decision because no evidence on the issue of remedies had been developed by the agency:

> [A] prerequisite to such review is evidence that a judgment was in fact made, that the parties were heard on the issue, that the proper standards were applied. We find no such evidence in this record.

Id. at 130. Accordingly, the Court remanded the matter to the ICC.

Based on *Gilbertville Trucking*, the Board, having found unlawful control and having denied the Application for control of an already-consummated merger, should have provided Applicants with the opportunity to address the remedies question, in order to make a reasonable determination as to the appropriate remedy. Failure to do so is fundamentally unfair both to Applicants, whose significant economic investment is jeopardized by the Board's decision, and to the traveling public, which may face higher prices and reduced service because of a remedy that would eliminate the efficiencies of the Twin America transaction while offering much less than optimal opportunities for enhancing competition.

In sum, *Gilbertville Trucking* mandates that the Board carry out its "heavy responsibility" to identify the most appropriate remedy and that it afford the parties an opportunity to be "heard on the [remedies] issue." 371 U.S. at 130. Adhering to this guidance, federal courts of appeals have uniformly held that federal agencies (and the ICC specifically) must ensure that the remedy imposed be appropriately tailored both to the identified violation and to the remedial objective, and have vacated the remedy when it was "simply too broad to be sustained." *Zola v. ICC*, 889 F.2d 508, 519-20 (3d Cir. 1989) (vacating in part an ICC's debarment remedy as too broad in scope and duration, in reliance on *Gilbertville Trucking*); *see also Cape Air Freight, Inc. v. United States*, 586 F.2d 170, 180-82 (10th Cir. 1978) (setting aside an ICC-imposed "blanket" and "all-encompassing" remedy as erroneous, arbitrary, and unreasonable, in reliance on *Gilbertville Trucking*); *Seeburg Corp. v. FTC*, 425 F.2d 124, 129-30 (6th Cir. 1970) (modifying an overbroad Federal Trade Commission ("FTC") order because the "order must be reasonably related to the violation found"); *Grove Labs. v. FTC*, 418 F.2d 489, 496-98 (5th Cir. 1969) (modifying and remanding an FTC remedial order as "entirely too broad"). Indeed, where the remedy imposed by the agency is "wholly disproportionate to [the petitioner's] error," the agency exceeds its discretion and acts arbitrarily. *Gulf Power Co. v. FERC*, 983 F.2d 1095, 1099-102 (D.C. Cir. 1993) (vacating FERC's remedial sanction for failure to consider lesser alternatives).

In this case, the dissolution remedy provided by the Board is extraordinarily broad. This ultimate remedy requires Applicants "to expeditiously unwind the joint venture and completely separate the businesses, management, and assets of Gray Line and City Sights." Decision 18. Dissolution is "an aggressive remedy that can actually take away a corporation's charter and require it to sell off all its assets, thus destroying it." 4A Phillip E. Areeda & Herbert Hovenkamp, *Antitrust Law: An Analysis of Antitrust Principles and Their Application* 117 (3d ed. 2009). For this reason, "federal antitrust law has not commonly used dissolution as a remedy in simple merger cases, and it would certainly be an excessive penalty for an unlawful acquisition and nothing more." *Id.* at 117-18 (citing cases). The dissolution remedy therefore is entirely disproportionate to the violation the Board identified — a transaction presented to the Board for approval and that, as the Board acknowledged, generated important economic efficiencies. Decision 17.

The remedy of dissolution also would not accomplish the Board's remedial objective of "restor[ing] the competitive balance in th[e] market." Decision 18. Twin America has fully integrated virtually every operational function of Gray Line and CitySights, including call centers, central dispatching, charter business, organized group sales, training, information technology operations, human resources, marketing and advertisement departments, and sales. Marmurstein V.S. ¶ 11; Kinnear V.S. ¶¶ 2,4; Willig V.S. ¶ 22. Twin America has also dramatically repositioned its two brands. Marmurstein V.S. ¶¶ 3, 10. Given the change in the branding situation since the transaction was consummated two years ago, these consolidated operations cannot be merely partitioned between the two trade names and the competitive brand repositioning cannot be simply reversed so as to restore the two bus lines to their pre-merger posture. Marmurstein V.S. ¶¶ 10-11. In other words, such restoration cannot be achieved because of subsequent events.

Moreover, even assuming such partitioning *were* possible, it would not achieve the pro-competitive result. Twin America's trade secrets and business strategies are now commonly known by the persons who controlled both prior operators, Gray Line and CitySights. Marmurstein V.S. ¶ 17; Willig V.S. ¶ 25. This knowledge cannot disappear. Destroying Twin America through dissolution would not create two viable bus lines able to compete independently in the tour bus market. *See* Willig V.S. ¶ 25. The dissolution remedy, therefore, fails to "effectuate the remedial objectives," and should be reconsidered. *Gilbertville Trucking*, 371 U.S. at 130.

In fact, dissolution would actually *undermine* the pro-competitive objectives. As Appellants demonstrated, the integration of Gray Line and City Sights into Twin America resulted in considerable synergies and efficiencies. 2010 Willig V.S. ¶¶ 18-20. From the service standpoint, Twin America completely reengineered and revolutionized its dispatch, scheduling and routing systems, creating a flexible bus dispatch system tailored to match the number and location of its buses to customer demand. Verified Statement of Zev Marmurstein (Mar. 10, 2010) ¶ 2 ("2010 Marmurstein V.S."); 2010 Willig V.S. ¶ 18(a). As a result of this flexible schedule system, Twin America uses fewer buses to generate more service, resulting in cost savings, improved quality and frequency of service for passengers, reduced traffic congestion, less air pollution, and further reducing fuel, maintenance and repair and other costs of operation. 2010 Marmurstein V.S. ¶¶ 2-5; 2010 Willig V.S. ¶ 18(a). Dissolving Twin America would reverse this landmark achievement and actually add to the number of buses on the streets of the city. It is highly doubtful that New York City public officials charged with managing the City's traffic and congestion would favor such a result.

In addition, Twin America obtained significant cost savings in maintenance of its bus fleet by implementing best practices from the two previously separate entities across its combined garage facilities. 2010 Marmurstein V.S. ¶ 6; 2010 Willig V.S. ¶ 18(b). Twin America has realized substantial cost efficiencies from lower fuel delivery charges for all of its bus fleet. 2010 Marmurstein V.S. ¶ 8; 2010 Willig V.S. ¶ 18(c). And Twin America achieved considerable cost savings by consolidating its facilities and operations. 2010 Marmurstein V.S. ¶ 9.

Significantly, the efficiencies achieved by Twin America have benefited the public in several ways, and Twin America *has* passed these efficiencies along to consumers. Marmurstein V.S. ¶ 18; 2010 Willig V.S. ¶¶ 21-26. These efficiencies have allowed Twin America to expand its tour offerings and services and provide better service to passengers in ways that the parties could not do — and would not be able to continue to do — independently. Marmurstein V.S. ¶ ¶18-21; Willig V.S. ¶¶ 23, 27.

Equally important, Twin America's cost savings have allowed it to forego further price increases in the face of increased costs in the transportation sector generally and correspondingly substantially increased prices of other transportation tours and passenger services in New York across the board over the past two years. *See* Marmurstein V.S. ¶ 18; 2010 Willig V.S. ¶ 35 (observing that Twin America's price increase in April 2009 was lower than price increases taken by many competing tour operators); Willig V.S. ¶ 9. Twin America has not raised any double-decker bus tour prices since April 2009, when it raised prices for CitySights tours to match the prices for Gray Line tours— something that the prior management of CitySights tours had determined to do prior to consummation of the merger in light of increased costs of fuel, insurance, emissions compliance requirements, and labor. 2010 Marmurstein V.S. ¶ 12; 2010 Willig V.S. ¶ 29; Marmurstein V.S. ¶ 18; Willig V.S. ¶ 9. In fact, the merger enabled Twin America to offer extensive discounts and promotions that have *decreased* the effective price that the typical passenger spends on a Twin America double-decker bus tour ticket. Marmurstein V.S. ¶ 18; *see also* 2010 Willig V.S. ¶ 35. Dissolution of Twin America would reverse this trend and drive up costs and quite possibly prices, negating these welfare-enhancing benefits.

Instead of ordering a drastic remedy that destroys these pro-competitive benefits, the Board should have invited and considered alternative remedies that preserve these efficiencies while safeguarding competition by ensuring ease of entry.[3] Specific conduct remedies, for example — which applicants would present in greater detail if afforded the opportunity — could protect against the possibility that Twin America could preclude entry, such as:

> (1) limitations on exclusive dealing arrangements with New York City tour operators or tourist attractions that could impede or interfere with competitors' ability to sell, market, or distribute double-decker bus tours in New York City;
>
> (2) "must carry" requirements to sell competing double-decker bus tours on commercial, non-discriminatory terms through any services operated by Twin America;
>
> (3) commitments to facilitate entry by sharing purchasing efficiencies with a new competitor;
>
> (4) price reporting;[4]

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[3] As stated above, *see supra* at 5, the Board erred in concluding that such barriers to entry exist in the New York City tour bus market. Safeguards against entry barriers, however, can be addressed through appropriate conduct remedies.

[4] The Board imposed a price-reporting requirement in another proceeding where the benefits of the transaction were questioned by an antitrust enforcement agency. *See Peter Pan Bus Lines,*
(continued...)

(5) a specific time frame within which cross-ticketing and other merger benefits will be fully implemented, consistent with labor union considerations; or

(6) fair dealing requirements.

If necessary, these conduct remedies could be coupled with appropriately tailored structural remedies and other measures, such as limited bus divestitures designed to facilitate new entry into the market by potential competitors.

These types of remedies would have the advantage of remedying the Board's concerns about anti-competitive effects of the Twin America merger without reversing the merger's considerable pro-competitive efficiencies. As the federal antitrust agencies — the Department of Justice and the Federal Trade Commission — acknowledge, "requiring a structural divestiture [a remedy less drastic than dissolution] might remedy the competitive concerns only at the cost of unnecessarily sacrificing significant efficiencies. In such situations, a stand-alone conduct remedy may be appropriate." U.S. Dep't of Justice, Antitrust Division, *Antitrust Division Policy Guide to Merger Remedies* 21 (2004). Unlike dissolution, the conduct remedies can be adapted to the circumstances of this case, ensuring that the eventual remedy the Board adopts comports with the Supreme Court's admonition that it be "tailor[ed] to the particular facts of [the] case so as to best effectuate the remedial objectives." *Gilbertville Trucking*, 371 U.S. at 130.

The Board should afford Twin America a full opportunity to address the remedy question. Indeed, on remand in *Gilbertville Trucking* the ICC did in fact approve a less drastic remedy in response to the consummation of the transaction without Board approval than the divestiture it had originally ordered. *See L. Nelson & Sons Transp. Co. — Investigation of Control — Gilbertville Trucking Co., Inc.*, 93 M.C.C. 22, 23-24 (I.C.C. 1963). *See also*

(...continued)
Inc. — Pooling — Greyhound Lines, Inc., MC-F-20908, at 6 (S.T.B. Apr. 29, 1998) (requiring that the parties to the transaction report their fares to the Board every six months).

Kennecott Copper Corp. v. Curtiss-Wright Corp., 449 F. Supp. 951, 968 (S.D.N.Y. 1978), *rev'd in part on other grounds*, 584 F.2d 1195 (2d Cir. 1978) ("Divestiture ... is a harsh remedy which should not be ordered without an opportunity for the presentation and consideration of less drastic alternative forms of relief appropriate to remedy the antitrust violation.") (citing *United States v. E.I. du Pont de Nemours & Co.*, 366 U.S. 316, 326-27 (1961); *United States v. E.I. du Pont de Nemours & Co.*, 353 U.S. 586, 607-08 (1957)). As the Supreme Court explained, a "prerequisite" to ordering such a remedy was "that the parties were heard on the issue [and] that the proper standards were applied." *Gilbertville Trucking*, 371 U.S. at 130.[5]

Here, despite suggesting that additional remedies may exist, *see* Decision 18, the Board did not request any further briefing or argument from the parties on what remedy might be appropriate. Further, as explained below, the Board did not heed the courts' frequent admonition to federal agencies to consider alternative remedies and to ensure that the remedy ordered is properly tailored to the violation and is designed to advance the remedial objective. *See supra* at 6-8. The Board has an obligation to consider additional submissions regarding the appropriate alternative remedies to dissolution that would preserve the substantial efficiencies Twin America has achieved while safeguarding against the Board's articulated anticompetitive concerns.

CONCLUSION

Applicants' petition for reconsideration should be granted. The Board should reconsider its finding that the proposed transaction will have anti-competitive effects and approve the

[5] The fact that the Board ordered Applicants to submit a report on March 25 is not a sufficient response to the mandate of *Gilbertville Trucking*. Submission of such a report on Applicants' plans with reference to one or the other of the two options presented in the Decision does not provide a meaningful opportunity for Applicants to address alternative remedies that the Board might consider should the Board remain of the view that remedies are required.

transaction. If the Board does not reconsider its overall finding, the Board should at least grant reconsideration as to the imposed remedy.

Respectfully submitted,

Dated: February 28, 2011

By: [signature]

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CERTIFICATE OF SERVICE

I hereby certify that on the 28th day of February, 2011, a true and accurate copy of the foregoing Petition for Reconsideration was served via overnight delivery upon counsel for the following parties:

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